

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C.

FORM 10-KSB

☒ ANNUAL REPORT PURSUANT TO SECTION 13 OF 1934

For the fiscal year ended **September 30, 2001**

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF 1934

Commission File No. **0-5662**

CARDIFF COMMUNICATIONS

(Exact name of Registrant as specified in its charter)

NEVADA

(State or other jurisdiction of
incorporation or organization)

87-0267292

(IRS Employer
Identification No.)

4766 South Holladay Boulevard, Holladay, Utah 84117

(Address and zip code of principal executive offices)

Registrant's telephone number, including area code: **(801) 308-0011**

Securities registered pursuant to Section 12(b) of the Act: **NONE**

Securities registered pursuant to Section 12(g) of the Act: **NONE**

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by the Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days. ☒ **Yes** ☐ **No**

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and indicate by check mark if disclosure of delinquent filers is contained, to the best of Registrant's knowledge, in definitive proxy or information statements incorporated by reference in Form 10-K or any amendment to this Form 10-K. ☒ **X**

Revenue for the year ended September 30, 2001: \$3,800.

As of January 14, 2002 it is unclear as to the aggregate market value of the voting securities of the Registrant. This is due to the low or almost non-existing trading of the Registrant's Securities.

As of January 14, 2002 the number of shares outstanding of the Registrant's Common Stock was 6,800,544.

PART I

ITEM 1. DESCRIPTION OF BUSINESS

Cardiff Communications, Inc., ("the Company") was the name Cardiff Industries. Subsequently, the the name Cardiff Industries. Subsequently, the the Company changed the Company changed it s domicile to the State of Nevada. The Company has had no the C

The Company is currently seeking a business opportunity in any such business opportunities. There is no opportunity to merge with or acquire.

ITEM 2. DESCRIPTION OF PROPERTY

The Company currently has no office and pays no rent or expenses.

ITEM 3. LEGAL PROCEEDINGS

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITIES HOLDERS

None

PART II

**ITEM 5. MARKET PRICE FOR REGISTRANT S COMMON EQUITY AND
RELATED STOCKHOLDER MATTERS**

Because this report is being prepared in 2002, the Company has not been able to obtain any reliable trading history for the period reported. history for the period reported. During the year ended September 30, 2001 therehis in the stock ofin the stock of the Company.in the stock of the Company. As of January 14, 2002, the Company had a

The Company has not declared any cash dividends on its Common Stock since inception and its Board of Directors has no present intention of declaring any dividends. For the future, the Board of Directors has no present intention of declaring any cash dividends. The Company expects to retain all earnings, if any, for use in the development and expansion of its business.

Item 6. MANAGEMENT S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Financial Condition

The Company had revenue of \$3,800 during

was was \$(81,461), as compared to \$(64,566) at September 30, was \$(81,461), as compared to \$(64,566) at September 30, operations.

Liquidity and Capital Resources

TheThe Company has no liquid assets and is currently in theThe Company has no liquid assets and is currently in the pr
withwith or acquire. Atwith or acquire. At minimum, thewith or acquire. At minimum, the Company will need to raise ad
financialfinancial needs of being afinancial needs of being a reporting company. There is nofinancial needs of being a reporti
necessary funding to develop any business opportunities.

Results of Operations

TheThe Company reported a net loss of \$(16,895) for the year ended September 30, 200The Company reported
incomeincome of \$800 for the previous year. The Company anticipates very little or no overheadincome of \$800 for the previ
a successor business can be acquired or merged.

ITEM 7. FINANCIAL STATEMENTS

- (a)(1) TheThe following financial statements ofThe following financial statements of the Company and its subsidiariesTh
(see Item 8 Financial Statements and Supplementary Data):

Independent Auditors Report

Balance Sheets as of September 30, 2001.

Statements of Operations for the years ended September 30, 2001 and September 30, 2000.

Statement of Stockholders Equity for the period from October 1, 1998 to September 30, 2001.

Statement of Cash Flows for the years ended September 30, 2001 and September 30, 2000.

Notes to Financial Statements.

- (2) SchedulesSchedules are omitted because of the absence ofSchedules are omitted because of the absence of conc
required information is given in the financial statements or notes thereto.

INDEPENDENT AUDITOR S REPORT

Stockholders and Directors
Cardiff Communications, Inc.
Salt Lake City, Utah

We have audited the accompanying balance sheet of Cardiff CommWe have audited the accompanying SeptemberSeptember 30, 2001 and the related statements of operations,September 30, 2001 and the related statements forfor the year ended September 30, 2001. These financial statemfor the year ended September 30, 2001. The company scompany s management.company s management. Ourresponsibilitycompany s management. Our responsibilitybasedbased on our audit. Thebased on our audit. The financial statements of Cardiff Communications, Inc.,based 2000,2000, were audited by other auditors whose report dated November 9, 2001, 2000, were audited by unqualifiedunqualified opinion on those statements, thereforeunqualified opinion on those statements, therefore we

We conducted our audit in accordance with geWe conducted our audit in accordance with generally standardsstandards require that we plan and perform the auditstandards require that we plan and perform the audit thethe financial statements are free ofthe financial statements are free of material misstatement. An audit includes basis,basis, evidence supporting the amounts and disclosures in the financial statements. An audit basis, evidence includes assessing the accounting principles usedincludes assessing the accounting principles used and significant as as well as as well as evaluating the overall financial statement presentation. We believeas well as evaluating the overall a reasonable basis for our opinion.

In our opinion, the financial statements referred to aboIn our opinion, the financial statements referred to respectspects,respects, the financial position of Cardiff Communications, Inc. at September 30, 2001, and resultsresults ofresults of its operations and cash flows for the year ended September 30, 2001 inresults of its operations generally accepted accounting principles.

TheThe accompanying financial statements have been prepared assumingThe accompanying financial statements continuecontinue as a going concern. Ascontinue as a going concern. As discussed in Note 5, the Company s recent lacklack of working capital ralack of working capital raise substantial doubt Management sManagement s plans in regaManagement s plans in regard to Management s plans in regard to statements do not include any adjustments that might result from the outcome of this uncertainty.

Salt Lake City, UT
January 14, 2002

Cardiff Communications, Inc.
Balance Sheet

ASSETS

	September 30, <u>2001</u>
CURRENT ASSETS	
Interest receivable	\$ <u>8,234</u>
TOTAL CURRENT ASSETS	<u>\$ 8,234</u>

LIABILITIES AND STOCKHOLDERS EQUITY

CURRENT LIABILITIES

Accounts Payable	\$ 17,695
Interest Payable	12,000
Note Payable (Note 4)	<u>60,000</u>
Total Current Liabilities	89,695

STOCKHOLDERS EQUITY (DEFICIT)

Common Stock 10,000,000 shares authorized at \$.001 par value; 6,800,544 shares issued and outstanding	6,801
Capital in Excess of Par Value	9,199
Retained Deficit (dated 9/30/97 in conjunction with Quasi Reorganization)	(21,461)
Less Subscriptions Receivable (Note 6)	<u>(76,000)</u>
Total Stockholders Equity (Deficit)	<u>(81,461)</u>
Total Liabilities & Stockholders Equity (Deficit)	<u>\$ 8,234</u>

The accompanying notes are an integral part of these financial statements

Cardiff Communications, Inc.
Statements of Operations

	September 30, <u>2001</u>	September 30, <u>2000</u>
<u>REVENUE</u>		
Interest Income	\$ 3,800	\$ 3,800
<u>EXPENSES</u>		
General & Administrative	17,645	-
Interest Expense	<u>3,000</u>	<u>3,000</u>
Total Expenses	20,645	3,000
<u>NET INCOME (LOSS) - Before Taxes</u>	(16,845)	800
Taxes (Note 1)	<u>50</u>	<u>-</u>
<u>INCOME (LOSS)</u>	<u>\$ (16,895)</u>	<u>\$ 800</u>
Loss Per Common Share (Note 1)	<u>-</u>	<u>-</u>
Weighted Average Outstanding Shares	<u>6,800,544</u>	<u>6,800,544</u>

The accompanying notes are an integral part of these financial statements

Cardiff Communications, Inc.
Statements of Stockholders' Equity
September 30, 1998 through September 30, 2001

	<u>Common Shares</u>	<u>Common Stock</u>	<u>Capital In Excess of Par Value</u>	<u>Retained Deficit</u>
Balance, September 30, 1998	4,900,544	4,901	(64,901)	(3,000)
Issuance of common shares for note at \$.04 per share	1,900,000	1,900	74,100	-
Loss for the Year Ended September 30, 1999				<u>(2,366)</u>
Balance, September 30, 1999	6,800,544	6,801	9,199	(5,366)
Loss for the Year Ended September 30, 2000				<u>800</u>
Balance, September 30, 2000	6,800,544	6,801	9,199	(4,566)
Loss for the Year Ended September 30, 2001				<u>(16,895)</u>
Balance, September 30, 2001	<u>6,800,544</u>	<u>\$ 6,801</u>	<u>\$ 9,199</u>	<u>\$ (21,461)</u>

The accompanying notes are an integral part of these financial statements

Cardiff Communications, Inc.
Statements of Cash Flows

	September 30, <u>2001</u>	September 30, <u>2000</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Net Income (Loss)	\$ (16,895)	\$ 800
Increase (Decrease) in		
Interest Receivable	(3,800)	(3,800)
Accounts Payable	17,695	-
Interest Payable	<u>3,000</u>	<u>3,000</u>
Net Cash Provided by Operating Activities	-	-
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>	<u>-</u>	<u>-</u>
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>	<u>-</u>	<u>-</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	-	-
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF PERIOD	<u>-</u>	<u>-</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
<u>CASH PAID DURING THE PERIOD FOR:</u>		
Interest	\$ -	\$ -
Taxes	-	-

The accompanying notes are an integral part of these financial statements

Cardiff Communications, Inc.
Notes to the Financial Statements
September 30, 2001

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

Organization - The Company was organized on September 30, 1999, in the State of Utah under the name of Cardiff Industries, Inc. During the year, the Company changed its domicile to the State of Nevada. The Company's management anticipates continuing its on-going business in the future.

NOTE 2 - INCOME TAXES

The Company adopted Statement of Financial Accounting Standards in the fiscal year ended September 30, 1999.

Statement of Financial Accounting Standards requires an asset and liability approach for purposes. This statement recognizes (a) the current year and (b) deferred tax liabilities and assets for future periods have been recognized in the financial statements or tax returns.

Deferred income taxes result from temporary differences between transactions for tax and financial reporting purposes. There were no deferred tax liabilities recognized in the current year.

The Company has cumulative net operating loss carryforwards of approximately \$20,000 at September 30, 2001. No effect has been given to these operating loss carryforwards as the likelihood of future taxable income is highly improbable. Accordingly, the potential tax benefits related to these operating loss carryforwards, estimated based upon current operating loss carryforwards, have been offset by valuation reserves of the same amount.

NOTE 3 - USE OF ESTIMATES IN THE PREPARATION OF FINANCIAL STATEMENTS

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect reported amounts of assets and liabilities, disclosure of contingent assets and liabilities, and revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cardiff Communications, Inc.
Notes to the Financial Statements
September 30, 2001

NOTE 4 - NOTE PAYABLE

The Company issued a convertible note payable in place of an outstanding accounts payable in the amount of \$60,000. The note is convertible to the Company's common shares at par value per share, provided, however, such conversion may be made in amounts that will result in the creation of new affiliate status or result in the creation of a new group of persons who are affiliates of each other. The note carries an interest rate of 5% per annum and is due on demand. As of September 30, 2001 accrued interest on the note was \$12,000.

NOTE 5 - GOING CONCERN

The accompanying financial statements have been prepared on the basis of the accounting records of the Company and do not include any adjustments that might result from the outcome of uncertainty. The Company has had recurring operating losses for the past several years and is dependent upon financing to continue operations. The financial statements do not include any adjustments that might result from the outcome of uncertainty. Management's plan to find an operating company to merge with, thus creating operating revenue.

NOTE 6 - SUBSCRIPTIONS RECEIVABLE

In 1999, the Company issued 1,900,000 shares of common stock receivable of \$76,000. The note bears interest at 5% and is due on demand.

PART III

ITEM 8. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT

The following information is furnished with respect to the Company and its directors and executive officers. There are no family relationships between the Company and its directors or executive officers.

Directors and Executive Officers

Name	Age (2001)	Director Since	Position with Company
Robert Wallace 4766 South Holladay Boulevard Holladay, Utah 84117	51	2000	President, CEO and Director

Robert Wallace, President and Director, has been a resident of the Southern California for the last 30 years. Since the Southern California Wallace has been involved in several mergers and acquisitions during the past several years.

Mr. Wallace has a bachelor's degree in animal husbandry from Arizona State University, and a Master's degree in counseling psychology from USC.

ITEM 9. EXECUTIVE COMPENSATION

Compensation of Executive Officers and Directors

None.

Employment Agreements and Other Compensation Arrangements

None.

Compensation of Non-Employee Directors

None.

ITEM 11. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percent of Class
Robert Wallace 4766 South Holladay Boulevard Holladay, Utah 84117	-0-	0 %

Item 12. Certain Relationships and Related Transactions

Other than executive compensation, during the reported year the Registrant did not have any transactions with management which are to be reported under this Item.

Item 12. Exhibits, and Reports on Form 8-K

(a) Exhibits

None

(b) The Registrant filed no current reports on Form 8-K during the last year of the fiscal year ended September 30, 2001.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by a duly authorized person.

Cardiff Communications, Inc.

By: Robert Wallace

/s/ Robert Wallace

Dated: January 14, 2002

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been prepared by the following persons on behalf of the Registrant and in reliance upon the following persons on behalf of the Registrant:

SIGNATURE

TITLE

DATE _____

/s/ Robert Wallace

President and Director
(Principal Executive and
Financial Officer)

January 14, 2002